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RI ARA

*“Fighting for the future of our members,
NOW, more than ever!!!!”*

Affiliated with the Rhode Island AFL-CIO



Published in house by the
RI ARA

July 29, 2013 E-Newsletter

HAPPY 48th BIRTHDAY MEDICARE

Medicare is a crucial part of life for retired Americans like our members. On July 30th, Medicare will complete its 48th year of providing seniors with access to health insurance. While the program has been very successful, there has recently been a lot of talk in Washington about saving money by means testing Medicare and shifting more costs to beneficiaries. These “reforms” would hurt middle class seniors and undermine the program. Furthermore, they are unnecessary.

As retirees, we count on Medicare to maintain my health. It’s the only way I can afford to see a doctor or fill a prescription. On July 30th, Medicare will complete its 48th year of successfully providing health insurance to millions of seniors.

Retirees and workers should be very concerned over the drastic changes some of our elected officials want to make that would threaten the dream we all have for a safe and secure retirement.

We worry about the dialogue around Medicare going on in Washington. Far

too many politicians continue to demand Medicare benefit cuts, as well as other harmful changes, such as means testing and shifting costs to seniors. The most conservative voices want to go even further and turn Medicare into an insufficient voucher system.

These changes would include cuts to Social Security, Medicare, and Medicaid – not to just one of these programs, but to all three! We have leaders who want to cut Social Security benefits by fooling with the cost of living adjustment; and some Governors actually refusing federal funds that would expand Medicaid in their states. And when it comes to Medicare, many want to pass costs onto seniors through benefit cuts, means testing, increasing the Medicare eligibility age, or privatization.

These proposals are entirely unnecessary, and would only serve to weaken the program and harm seniors. According to the Social Security Trustees Report released

this May, Medicare is solvent until 2026, two years later than last year’s report.

This is actually a very exciting time for the Medicare program. The Affordable Care Act, or “Obamacare,” improves Medicare in several important ways. Prescription drugs are now more affordable. Free tests are available for serious diseases. And the “doughnut hole” coverage gap is being closed.

The Medicare Trustees Report released this May brought more good news. It assured us that Medicare will remain solvent until 2026, two years later than last year’s report. This report was not a fluke. Since the passage of the Affordable Care Act, Medicare solvency has increased by nine years.

All of this leads us to a clear conclusion: Medicare remains strong, and is not in any immediate financial danger. While the long term financial future of the program is important, there is no need to rush to drastic action. Unfortunately, too many in Washington demand harmful Medicare

cuts despite all this. They claim that they want to help seniors and ensure the program’s future. But it makes no sense to cut benefits now unnecessarily.

Fortunately, we can ensure that Medicare keeps celebrating birthdays for decades to come. And we can do it without any harmful benefit cuts. The Medicare Drug Saving Act, S. 740 in the U.S. Senate and H.R. 1588 in the U.S. House of Representatives, is one important step. This legislation will end a special loophole for pharmaceutical companies so that Medicare can negotiate for more affordable rates on drugs. Passage of the act would save Medicare \$140 billion!

Between common sense reforms like the Medicare Drug Savings Act and the savings from the Affordable Care Act, we can feel confident about the future of Medicare as it celebrates its 48th year. And many more!

HAPPY 48th BIRTHDAY MEDICARE

On July 30th, Medicare turns 48. That marks 48 years of improving the ability of seniors and people with disabilities to see a doctor or fill a prescription. Health care is expensive and Medicare helps --- but politicians in Washington are keeping Medicare cuts on the table in budget deficit deal negotiations.

We gathered stories from retirees across the country who benefit from Medicare but still struggle to keep up with out-of-pocket costs to illustrate that now is not the time to cut this valuable program or shift costs onto beneficiaries. The fact of the matter is that future generations will need Medicare and there are ways to strengthen the program, such as negotiating the lowest rates for prescription drugs with big pharma, that would save billions of dollars and would not require shifting costs onto beneficiaries.

Read these real stories to see what it's like for retirees and why shifting more costs onto beneficiaries would be a disaster ([Submit your own story here](#)). You can also help us protect Medicare by [urging Congress to co-sponsor the Medicare Drug Savings Act](#).

Michael of West Springfield, MA: *My prescriptions take 1/5 of my income. Between my prescriptions and medical expenses my life savings were wiped out in about five years. I now live check to check."*

Sharon of Atlanta, GA: *My health deteriorated steadily for years while I was uninsured and unable to purchase insurance. Once I received Medicare, I thought I was going to be all right. Then the reality of the co-pays set in. I am very careful about how much medical care I get and constantly turn down the recommended therapies because I can't afford them. Now the doctors are beginning to say there is nothing else they can do."*

Evelyn, North Providence, RI: *My husband was totally disabled at work and was put on Social Security Total Disability and Medicare. I, however, was not 65 yet and could not receive Medicare. I had to pay for health insurance through a Blue Cross of Rhode Island individual plan. That plan cost me \$520.00 per month and I had a \$2000.00 deductible and 20% co-pay for doctors and prescriptions.*

When I reached age 65 and started to receive my Social Security of \$467.30 month, I purchase a Medicare Supplemental Plan that covered my entire medical expenses. I could have opted for a Medicare Advantage Plan, but the cost, co-payment and caps made it too expensive for me. Over the course of the years, my supplemental premiums have gone up on the average of 6% per year.

I have been in average health until February of this year when I suffered four compression fractures of my spine. Because this happened on the weekend and my doctor was not in and I was in so much pain that I had to go the ER for treatment. The following Monday I went to my doctor who in turn advised me to see an Orthopedic doctor for treatment. I was sent for an MRI and a Bone scan of my back. The test revealed that I had osteoporosis in my spine. Between my doctor and the orthopedic doctor my osteoporosis is being treated and the pain is less severe.

*With my Medicare Supplemental Plan I had \$0.00 out of pocket expenses. Without Medicare I could not afford any medical issues that may occur. With just this one medical problem and receiving only \$467.30 per month from Social Security, I would not be able to see a doctor for my medical needs. Please **DO NOT CUT OR ABOLISH MEDICARE**. If you do, I could not afford medical care especially on \$467.30 per month income.*

From Louisville, CO *I just went on Medicare and my company may take away my supplemental insurance. If that happens, the copay for my drug will be \$1000 a month thru Medicare. It is Enbrel for rheumatoid arthritis and costs \$2300 a month. I will not be able to take it. To me that means I could end up in a wheel chair even though I worked and has ins. for over 42 years. I am very worried."*

Ron of Mansfield, OH: *I have worked at hard labor for 40 years in a steel mill to retire in hopes of enjoying my late years. I have good insurance but the costs to keep it continue to climb every year. So it seems I have only worked to pay for medical care but not a retirement to freely enjoy. The longer I live the less I live on!!!"*

MEDICARE ANNOUNCES PLANS TO ACCELERATE LINKING DOCTOR PAY TO QUALITY

Jordan Rau, Kaiser Health News



Medicare is accelerating plans to peg a portion of doctors' pay to the quality of their care. The federal health law requires large physician groups to start getting bonuses or penalties based on their performance by 2015, with all doctors who take Medicare patients phased into the program by 2017...[Read More](#)

MEDICARE 'COST-SAVINGS' RULES PUSHING COSTS ONTO PATIENTS

Robert Kuttner, The Boston Globe

THE COST OF Medicare, the top driver of runaway entitlement outlays, seems to be stabilizing at last. For the past three years, Medicare inflation has moderated to an annual average of 3.9 percent. But if you look more deeply, a lot of these supposed savings are actually a shift in costs to patients. As Congress and the administration devise new ways to restrain Medicare, this disguised form of rationing is likely to worsen.

In order to cut costs — actually shift them, partly to hospitals and partly to patients — Medicare applies extreme financial pressure on hospitals to book admissions as outpatients whenever possible. This shifts them from Medicare Part A (the hospital program) to Medicare Part B, which is designed to cover only doctor bills...[Read More](#)



WHY MEDICAL SPENDING MAY FINALLY FLATTEN OUT

John F. Wasik, The Fiscal Times



As you may have heard, health-care spending has taken a somewhat encouraging turn over the last few years. A combination of a recession "hangover," implementation of the Affordable Care Act Medicare payment reforms and patients spending less out of pocket have kept prices in check. Both Medicaid and Medicare, for example, spent 5 percent less last year than their 2010 projections.

There are several positive signs that health costs are ramping down from average 6-percent growth recorded in the previous decade...[Read More](#)

Star wars may be coming to a hospital near you.

Jordan Rau, Boston Globe/Kaiser Health News

Medicare is considering assigning stars or some other symbol to hospitals so patients can more easily compare the quality of care at various institutions. The ratings would appear on Medicare's [Hospital Compare](#) website and be based on many of the 100 quality measures the agency already publishes.

The proposal comes as Medicare confronts a paradox: Although the number of ways to measure hospital performance is increasing, those factors are becoming harder for patients to understand. Hospital Compare publishes a wide variety of details about medical centers, including death rates, patient views about how well doctors communicate, infection rates for colon surgery and hysterectomies, emergency room efficiency, and overuse of CT scans...[Read More](#)

